

U.S. Officials Assert France and Italy Had Pact With Terrorists

By Doyle McManus
Washington Post Staff Writer
WASHINGTON — U.S. officials made secret agreements with France and Italy during the 1970s to spare citizens from attack in exchange for giving Libyan-sponsored terrorism the freedom to travel through Europe, U.S. officials said.

The French had a deal with the U.S. and a deal with the Italian government, U.S. officials said. "There has been a feeling throughout Western Europe that you can have an accommodation so you won't have terrorism in your country, and in exchange terrorists could come and go from Country X to Country Y," he said.

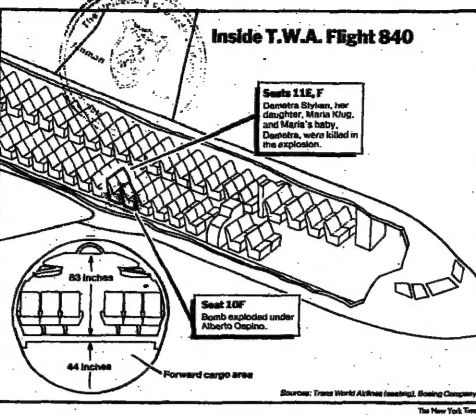
They acknowledge in private that they had such arrangements blow up in their faces, figuratively and literally, in airports and cafes, he said. "You have a gentleman's agreement with a terrorist, and unfortunately the terrorist turn out not to be gentlemen."

A spokesman for the Italian Embassy in Washington, Massimo Baisocchi, denied that his government had ever entered into the kind of pact described by the U.S. officials, but acknowledged that the Italian intelligence agencies did establish a cooperative relationship with Colonel Qaddafi.

U.S. top operators reported scattered cancellations of Mediterranean bookings, Page 5.

He added: "It is true that there were contacts between our secret service and the secret service of Libya. Qaddafi was giving us information on terrorism and other issues."

U.S. officials who described the arrangements said they were not certain when the agreements were made but that they appeared to be products of the wave of European terrorism in the mid-1970s, when European police forces were hard-pressed to deal with the violence in their own countries.



Inside T.W.A. Flight 840

TWA Bombing Suspect Boarded at Last Minute

NEW YORK — A woman suspected of planting a bomb on a Trans World Airlines flight on Wednesday boarded the plane in Cairo at the last minute, a TWA spokesman said Friday.

Because the woman was late in boarding and missed a shuttle bus used to ferry passengers across the airport tarmac, a TWA plane hurried her to the Boeing 727 in a company car, said an airline spokesman, Sally McEwen.

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New Currency Values Expected for Europe

By Bob Hagergy
International Herald Tribune
LONDON — European monetary authorities meeting Friday evening in the Netherlands were expected to realign currency values in the European Monetary System.

The authorities were likely to agree to raise the value of the West German mark and the Dutch guilder by 5 percent to 7 percent against the French franc and by varying amounts against the Italian, Belgian, Danish and Irish currencies, economists predicted Friday afternoon.

The expectations raised hopes for lower interest rates in France, Italy, Ireland and Belgium, which have been keeping rates high to support their currencies.

They do it in the right way," Roland Lombard, economist at Banque Paribas Lambert, said of the EMS talks, "we will have lower interest rates in Europe."

European Community finance ministers and central bankers had long planned to hold an informal meeting this weekend in Brussels, a Dutch resort on the North Sea coast. They decided to use the occasion for urgent talks on the EMS after a request last Thursday from France, which is eager to make its exports more competitive against those of West Germany.

An adjustment of EMS currency values has been expected for months, but the timing caught currency traders by surprise. On Friday morning, EMS members announced a suspension of their obligation to intervene in the market to hold their currencies within the narrow bounds set by the system.

The EMS, created seven years ago, limits the fluctuations of the currencies of the eight countries that are full members and was designed to foster a "zone of monetary stability in Europe."

UN Grants Israel Access To UN File on Waldheim

UNITED NATIONS, New York — The United Nations agreed Friday night to give Israel permission to examine its UN Crime Commission file on Kurt Waldheim, the former secretary-general, who was an officer in the German Army in World War II.

The letter noted that the material had not been legally evaluated and that governments were granted access on the understanding that the records were confidential.

Mr. Waldheim has reportedly denied any wrongdoing during a three-year period after 1945. According to his own earlier accounts, he was pursuing law studies in Vienna during this period.

Mr. Waldheim, 67, said he served in the German Army during World War II, but in an interview on U.S. television he described accusations that he had worked on the staff of a Nazi unit that massacred Yugoslav partisans as "defamation" linked to his current campaign for the Austrian presidency.

Asked about access to his UN file, he said: "I never opposed it. I didn't even know of the existence of files about me at the United Nations. Governments have the right to ask for opening those files and if any government wishes to do it, it's fine with me."

Loys Plans Offer for Big Bank Group

Loys plans to offer for Big Bank Group...

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Hope Using Theme of Liberationists to Blunt Their Movement

By E.J. Dionne Jr.
New York Times Staff Writer
ROME — Pope John Paul II has used a new phrase in his address to the Italian parliament, one that has become a rallying cry for some of the most vocal critics of the church's role in Italian society.

When officials said Thursday the new phrase will involve a history lesson toward some of the church's advocates and opponents, but it is aimed at the political emphasis of the church's role in Italian society.

Vatican is emphasizing the theme of the document by using the words of a top official, it is not just about liberation, but, more importantly, it is a new presentation of the so-

U.S. Admits Granting License to Sell Virus

By Keith Schneider
WASHINGTON — The U.S. Department of Agriculture has acknowledged that it granted a license to market a living, genetically altered virus, and scientists in a secret, limited government contract, which it had followed guidelines intended to safeguard the public.

The virus, used as a vaccine to prevent a herpes disease in swine, was field-tested last fall in three states, the first product of genetic engineering to be released into the environment.

The department's disclosures occurred after a group that opposes the commercial use of biotechnology, the Foundation on Economic Trends, asserted that the decisions involving the virus violated U.S. procedures designed to thoroughly evaluate genetically altered products before they were released into the environment.

INSIDE

He said that department had made its decision without consulting experts in its own agency and without notifying other agencies.

He added that Christian liberationists had resisted to politicians, but he said the movement was clear: Christians had an obligation to create a just and good society.

The debate has its most full circle, with a danger arguing that liberationists are not just about the future, but about the present, the new document, "no redemption to temporal age God who faces."

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Marcos Control of Mining Firm Is Alleged

By William Reagin
Washington Post Service

MANILA — The Philippine finance minister has disclosed that a major mining corporation he ran for 12 years before joining the government of President Corason C. Aquino apparently was secretly controlled by the deposed president, Ferdinand E. Marcos, and Mr. Marcos's brother-in-law, Jaime Ongpin, the president of Benguet Corp. from 1974 until he joined the Aquino government in late February, said Thursday that he made the disclosure in response to rumors and press reports about the ownership of the copper and gold mining concern, consistently one of the country's most profitable companies.

Mr. Ongpin, a longtime opponent of Mr. Marcos, controlled the term "crony capitalism" several years ago to describe a system under which, opposition leaders have charged, relatives and friends of the former president plundered the Philippine economy.

Mr. Ongpin's disclosures also illustrated the tangled business relationships that bound opponents of Mr. Marcos with some of his secret business allies.

He said he was certain that Benjamin T. Romualdez, the younger brother of Mr. Marcos's wife, Imelda, and the former ambassador to the United States, was the principal stockholder in Benguet through nominees but that he never wanted his role publicly revealed.

Mr. Ongpin also divulged a proxy statement of a May 1985 annual stockholders' meeting that showed a substantial holding by two real estate companies identified last month as fronts for Mr. Marcos.

The Romualdez groups, Mr. Ongpin said, lost control of Benguet recently when two banks forced to close on their shares.

Defending his role in Benguet, Mr. Ongpin said that while he long suspected Mr. Romualdez was a secret investor, he could never prove it. Mr. Marcos and his family, the official said, had concealed many of their investments behind nominees and dummy corporations.

The disclosures appeared designed to head off domestic criticism of Mr. Ongpin before he travels to Japan and the United States this weekend to discuss loan agreements.

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of the company's voting securities in a new share subscription.

Mr. Ongpin said he initially refused the presidency of the company because he did not know the full identities of those behind the purchase. Benguet was bought by C.P. Securities Corp., which described itself as a "Philippine investment banking firm."

In fact, several of Benguet's new directors were executives of companies that government investigators now identify as Romualdez fronts.

Among them was Mr. Zalamea, who arranged a \$9.4-million loan from the Philippine National Bank to C.P. Securities to buy into Benguet. Mr. Zalamea is fighting to keep his position as chairman of the Development Bank of the Philippines, which ran up more than \$3 billion in liabilities by bailing out bankrupt companies associated with Mr. Marcos's friends.

Mr. Ongpin said that Mr. Marcos tried to acquire control of Benguet through two associates in late 1971, but that the attempt failed.

In February 1974, Mr. Ongpin said, a Philippine group represented by Cesar C. Zalamea, a life insurance executive and later chairman of the government-owned Development Bank of the Philippines, gained control of Benguet by paying \$9.4 million for 56.4 percent

Manila Court May Review Decision in Aquino Case

The Associated Press

MANILA — The Philippine Supreme Court has taken the first step toward reopening the case in the assassination of Benigno S. Aquino Jr., a court official said Friday.

The court asked the government's new attorney general to comment on a motion to declare a habeas corpus for the execution of 25 military men and a civilian who had been accused of the Aug. 21, 1983, murder, said a court clerk.

The assassination of Mr. Aquino at Manila International Airport triggered the Feb. 25 overthrow of Ferdinand E. Marcos and the rise to the presidency of Mr. Aquino's widow, Corason C. Aquino.

Mrs. Aquino said the court, presided over by a newly appointed chief justice, Claudio Velasco, issued a resolution Thursday ordering Solicitor General Sedfrey Ordoñez to submit his comments within 10 days.

She said that several lawyers had filed a petition early last month asking the court to reconsider its ruling denying a petition for a writ of habeas corpus.

The lawyer for a citizens' panel that investigated the Aquino slaying said Thursday that two witnesses claim to have seen a soldier shoot Mr. Aquino, reported from Manila.

The lawyer, Francisco Villal, also said that a police major has said he owned the 337-caliber Magnum that the military said Rodolfo Galan used in the assassination, and that the weapon was stolen from his car in 1975.

He said that two witnesses to the slaying, who were interviewed by Rebeca Quinsaga, said they had seen a soldier shoot Mr. Aquino after he stepped off a plane in Manila. The two witnesses were airport employees who asked not to be identified, said Mr. Villal. Mrs. Aquino said she was a passenger on Mr. Aquino's plane.

Leaders of thousands of Manila residents fighting for autonomy on the second-largest island in the Philippines, Mindanao, said they were pleased by the court's decision.

A faction within the Moro Islamic Liberation Front said it would meet Sunday to begin talks on how to halt the shooting in a 14-year war for autonomy on Mindanao island.

It was on the basis of such information, he said, that a decision was made to ban a Protestant march in Portland on Monday, a move that was followed by violence this week in the province.

tax dispute began more than 20 years ago, he said.

The 59-year-old lawyer, who says he has lived since that time in retirement, became widely known as a chief aide to Senator Joseph R. McCarthy in tumultuous anti-Communist hearings in the early 1950s. Mr. Cohn has been politically prominent again in recent years.

A state panel is considering whether Mr. Cohn should be disbarred on charges of mishandling funds of some clients. It is expected to rule before the summer recess, according to lawyers familiar with the case.

The suits also named several present and former members of Mr. Cohn's law firm of Saxe, Bacon & Bacon.

Members of the firm have helped conceal Mr. Cohn's assets, according to the lawsuits, which seek to make those members liable for any tax payments that cannot be obtained from Mr. Cohn. The suits accuse the law firm of disguising his fees by paying "virtually all of the personal expenses of the defendant Roy M. Cohn."

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Whether anyone said that day is not known. But the Maoist vision of China as a proletarian paradise stood from the world and self-sufficient in all things, never recovered.

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WORLD BRIEFS

Homes of 4 Apartment Foes Attacked

JOHANNESBURG (UPI) — The homes of four anti-apartheid community leaders were attacked Friday with gasoline bombs. The homes, in the squatter camp of Westville near Pretoria, included that of the head of South Africa's leading black business association, the National African Federated Chamber of Commerce, who was the scene of an incident March 26 in which the police opened fire at a crowd in a soccer stadium, killing 11 persons.

Among the homes bombed was that of Dr. Sam Motsamai, president of the National African Federated Chamber of Commerce, who was away, but a visitor was critically injured. The three other activists whose homes were bombed are Martha Lobopo, Walter Moshone and one other resident who refused to be named.

Amal Endorses Berri's Leadership

BEIRUT (UPI) — The Shiite Arab movement endorsed Nabih Berri's leadership Friday despite a boycott by hard-line critics of his policies and the weeklong fighting between his militia and Palestinian forces in Beirut.

Amal sources said that Mr. Berri's leadership was endorsed at a congress that opened late Thursday, continued throughout the night, and will be in session Friday. The congress originally was scheduled to open Friday night, but the meeting was moved up for security reasons, the sources said.

At least 33 persons have been killed and 106 others have been wounded since the latest fighting between Amal and Palestinians at camps in southern Beirut started a week ago. Several cases of rape and other violence by Syrian observers have failed to end the violence.

Mr. Weinberger meets Japanese troops on Hokkaido

TOKYO (AP) — The U.S. defense secretary, Casper W. Weinberger, inspected Japanese troops Friday on Japan's northernmost island, Hokkaido. Mr. Weinberger began the second stop of a tour of the Pacific rim with a nationally televised review of the Ground Self-Defense Force troops in Edwale, about 500 miles (about 800 kilometers) south of Tokyo.

He said that Hokkaido, separated from the Soviet Union by a narrow strait, is an important position for the defense of the West. It also is close to the Kuril Islands, which are held by the Soviet Union but claimed by Japan.

The defense secretary arrived in Hokkaido from Seoul on Thursday night and went to Tokyo on Friday after a stopover at Misawa Air Base on the northern tip of Honshu, Japan's biggest island. About 10,300 U.S. personnel and the Department's 2,700 Japanese Air Self-Defense Force troops are stationed at Misawa. The base is situated 200 miles east of Vladivostok, headquarters of the Soviet Far East Fleet.

Baker Says Oil Import Fee Is Rejected

WASHINGTON (AP) — Treasury Secretary James A. Baker said Friday that President Ronald Reagan has concluded that an oil import fee would be a drag on the economy and has ruled it out. He said the president might oppose an increase in the present excise tax on foreign oil by "the same reasoning."

Mr. Baker, interviewed on a television program, also denied that Reagan administration was seeking to pressure Saudi Arabia into cutting back production, to end the price piling that is hurting the domestic U.S. energy industry.

"We're not in the business of sitting down" with the Organization of Petroleum Exporting Countries "and talking about price levels for oil," Mr. Baker said. "We believe in letting the free market operate."

Moscow Protests Bonn Accord on SDI

BONN (UPI) — The Soviet Union delivered a formal protest Friday over Bonn's decision to allow West German companies to participate in the U.S. Strategic Defense Initiative and related political and military implications.

The Soviet ambassador, Vladimir Semenov, delivered the protest to Foreign Minister Hans Dietrich Genscher of West Germany, who defended the agreement. The Soviet Embassy said the protest statement that West Germany had assumed great responsibility by agreeing to participate in a program that Moscow considers to be hostile.

Under the agreement, signed March 27 in Washington, the West German government has no direct involvement but private companies may participate in the space weapons program.

For the Record

U.S. Vice President George Bush arrived in West Germany on Friday for a stopover en route to a day mission to Saudi Arabia and other oil-producing nations in the Gulf region.

Gorbachev 'Confident' On 2d Summit Meeting

By Celestine Bohlen
Washington Post Service

MOSCOW — Mikhail S. Gorbachev told two members of the U.S. House of Representatives on Friday that he was confident he would meet President Ronald Reagan at a second summit meeting, the congressmen reported.

After a meeting in the Kremlin, Representative Dante D. Facelli, a Democrat of Florida, and Representative William S. Brownfield, a Republican of Michigan, described Mr. Gorbachev as "basically optimistic" about U.S.-Soviet relations in spite of recent difficulties.

They said he is setting no precondition on the desirability of a summit. "He said that he was still interested, that he wants to go, that he feels confident that we can get there," said Mr. Facelli, chairman of the House Foreign Affairs Committee.

"He absolutely reaffirmed his position on the desirability of a summit," Mr. Facelli said, adding that the Soviet leader gave no firm dates for his visit.

The second meeting between the two leaders is due to take place in the United States this year according to the schedule agreed to in Geneva last fall, when Mr. Reagan and Mr. Gorbachev met for the first time. A third summit meeting

is scheduled for 1987 when Mr. Reagan is to come to Moscow.

The United States has suggested that Mr. Gorbachev visit in June, but so far the Russians have not delivered an official answer, pressing for assurances that the next summit meeting will produce a "substantive agreement."

In his speech last month to the congress of the Soviet Communist Party, Mr. Gorbachev listed two areas where an agreement would be possible—a ban on nuclear testing and the abolition of U.S. and Soviet medium-range weapons in Europe.

On March 29, Mr. Gorbachev invited Mr. Reagan to a meeting in Europe as soon as possible to discuss a treaty banning nuclear testing. The United States rejected the proposal.

Mr. Facelli said that, on the whole, Mr. Gorbachev was "basically optimistic" at a time when the situation is as difficult as it is now.

"He characterized it as a fast-moving target that we ought not to get away from us," Mr. Facelli said.

Progress on Chemicals

U.S. officials said that negotiators at the Geneva disarmament conference have reached a preliminary agreement on commercial chemicals that would be included in a proposed treaty banning the production, storage and use of chemical weapons, the New York Times reported from Geneva.

Western diplomats cautioned that the preliminary agreement could only be characterized as a small step forward in talks on chemical weapons and that the Soviet Union had yet to provide any concrete proposals for resolving the more difficult questions of verification and eliminating nuclear stockpiles.

The 40-nation Geneva conference has been seeking an accord on chemical weapons since 1968.

Ulster Police Fired On In Protestant District

United Press International

BELFAST — Snipers in a Protestant area fired on a police patrol Friday in an attack apparently triggered by Protestant anger over the British-Irish agreement that gives Dublin a say in Northern Irish affairs.

More hundred stones and bottles at the homes of 12 police officers in Belfast and the towns of Portadown and Rathfriland in the fifth night of violence by Protestants who say they are being betrayed by the mainly Protestant police.

Not injuries were reported. Homes of policemen have been hit by gasoline bombs, bullets, bricks and stones over the past five weeks.

Four bishops from the Protestant Church of Ireland, including the primate of all Ireland, Robin Eames, issued a statement denouncing the attacks.

A leader of Protestant paramilitary groups said he was ready to give military support, if needed, to bring down the British-Irish agreement. The accord, signed in 1985, gives the predominantly Catholic Irish Republic a consultative role in British-ruled Northern Ireland.

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Opening for Talks in Moscow

Summit Leaders Vow to Push for an Economic Recovery

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Svetlana Allihyeva

Kin of Stalin Will Return To Britain

LONDON — The teen-age granddaughter of Stalin was granted a visa Friday to return to Britain after 18 months in the Soviet Union, the Home Office said.

Olga Peters, 14, will be allowed to resume her studies at a Quaker school in Saffron Walden, west of London, the school's bursar said.

There was no report on her mother, Svetlana Allihyeva, 60, who is reported to be unhappy in the Soviet Union and is said to want to return to the West.

The Home Office said Miss Peters would be granted a student's visa valid for 12 months and renewable.

Her visa request was passed to the British Embassy in Moscow by the Soviet Foreign Ministry earlier this week. It described her as a Soviet citizen, although she was born in the United States.

Miss Allihyeva defected to the West in 1967, living first in the United States and then in Britain for two years. Her Soviet citizenship was restored when she returned to the Soviet Union with her daughter in 1984.

Viktor Louis, a Soviet journalist who often acts as a source for official information, said this week that Miss Allihyeva might have trouble revoking her Soviet citizenship and leaving the country a second time.

Miss Allihyeva was quoted in the British press as saying she was "much relieved" at the prospect of her daughter's return to England.

The reports said the visa for Miss Peters was the result of an agreement between the Soviet leader, Mikhail S. Gorbachev, and the British prime minister, Margaret Thatcher.

Threat to Qadhafi May Be His Military

By Edward Schumacher

New York Times Service

TRIPOLI, Libya — When Colonel Moammar Qadhafi, Libya's leader, prepares to fly inside his own country, two planes await him on the tarmac, according to witnesses. Only the colonel knows which plane he will use, they say. The other, they take off as a decoy.

When Colonel Qadhafi travels by land inside Libya, he moves in a heavily armed caravan of jeeps. And, traveling or not, he wears a bulletproof vest, even under casual clothes at home, according to those who have been around him.

These measures are part of the extraordinary security that surrounds the man, whose home itself is a military barracks where tank guns point at passers-by.

The security is directed against Colonel Qadhafi's own military. Having taken power in a military coup 16 years ago, the colonel is said by Western and Arab diplomats and other observers to be virtually paranoid about new discontent in the ranks.

According to reports from Washington, it is this discontent that the Reagan administration hopes to exploit. Sources in Congress and the executive branch say

that the recent clashes between the U.S. 6th Fleet and Libyan forces in the Gulf of Sidra were part of an administration strategy aimed at provoking dissidents in the military to see that the cost of what the administration says is Libyan-backed terrorism is too high.

Ultimately, Washington hopes to provoke these dissidents to overthrow Colonel Qadhafi, according to the reports.

But many sources in Libya generally question the U.S. logic. They say the dissidents appear to have close links with Colonel Qadhafi, at least temporarily, in a show of nationalism against a foreign threat.

One diplomat with particular close ties to the military reported that many of those in the military who are doubters of Colonel Qadhafi are chafed in fact over the outcome of the fighting. Despite having suffered a publicly underlined number of casualties and damage to boats, planes and a radar site, they see Libya, and themselves, as a David that has stood up against the American Goliath.

"The Americans are misreading the internal situation," said one diplomat.

Some of the diplomats acknowledge that in the marksmanship of Libyan politics, U.S. military pressure could prove to be effective in the long term. But the consensus among the many sources is that the best policy for getting rid of Colonel Qadhafi is to leave him to his own designs. They say his erratic political behavior and his failing economic policies in the face of plummeting oil prices are fanning discontent on their own.

Libyans are being inconvenienced by shortages in food and consumer products, while many of the colonel's grandiose construction projects have become mired in mismanagement and debt. Falling income from oil has meant that the country can no longer buy its way out of its problems.

Secreciveness in Libya, which is saturated by a pervasive intelligence network, makes the extent of the dissent inside the military difficult to measure. But at least seven assassination attempts, most of them by military men, have been reported in recent years.

At the heart of the current dissent is a resentment of efforts by Colonel Qadhafi to insert a corps of an estimated 1,000 to 2,000 "revolutionary guards" inside the armed forces. These guards are said to be mostly young, pro-Qadhafi zealots who politically monitor even commanding officers.



WINE CHECK IN ITALY — A chemist analyzes wine suspected of being adulterated with methyl alcohol. Two government ministers told Parliament on Friday that the government did what it could to halt distribution of tainted wine, which has killed 15.

Hopes for Mozambique's Ports Are Fading

By Michelle Paul

The Associated Press

MAPUTO, Mozambique — Mozambique's three Indian Ocean ports once were a source of great hope for the black nations of southern Africa, a means of getting their produce to the world without sending it through white minority-ruled South Africa.

But in the 11 years since Mozambique won independence from Portugal, the dream has faded for such countries as Botswana, Swaziland, Zambia and Zimbabwe.

Despite appeals for black African nations to stop doing business with South Africa, that country still handles the bulk of the trade of its landlocked black neighbors.

"It's a vicious circle," the Dutch vice consul in Maputo, John Roessgarde-Bischoff, said recently.

The Netherlands has been helping to improve Mozambique's port capacity.

"The Mozambicans have to prove the safety and efficiency of the road, rail and port system before businessmen will utilize it more," Mr. Roessgarde-Bischoff said. "But how can they prove it when businessmen won't use it until they're satisfied?"

Reasons cited for avoiding Mozambique's ports at Maputo, Beira and Nsima are chronic inefficiency, lack of skilled managers and technicians, antiquated equipment and the prolonged civil war between the Marxist government of President Samora Machel and an anti-Communist insurgent movement.

A World Bank survey on Mozambique last year said the flow of international transit traffic on Mozambique's 1,875 miles (3,000 kilometers) of rail lines declined by 80 percent from 1973 to 1983. At the ports, the traffic dropped by about 70 percent from 13.4 million tons in 1973 to 3.6 million in 1983.

"The single most important constraint is the security problem," said the report. Guerrillas of the Mozambique National Resistance have blown up bridges, ambushed convoys and damaged tracks, locomotives and rolling stock.

The report also cited the shortage of managerial and technical staff, depleted in 1975 when 90 percent of the 250,000 Portuguese in the country fled upon independence.

Mozambique's colonizers had held jobs at all levels of the economic strata and did not encourage Mozambicans to acquire skills.

A reflection of black Africa's hopes for Mozambique was a decision by the Southern African Development Coordination Council to put 60 percent of its planned transport investment into the country. The nine-nation regional body was set up in 1980 to lessen economic dependence on South Africa.

There are compelling political reasons for countries such as Zimbabwe to "look for alternatives to its heavy dependence on South African routes," remarked Abraham Schoenfelder, the Dutch ambassador to Mozambique and Zimbabwe.

The Netherlands has spent more than \$64 million since 1981 trying to rehabilitate Mozambique's second-largest port at Beira, about 150 miles from Zimbabwe's border.

But despite the port's proximity, Zimbabwe's business leaders seem to pay little attention to exhortations by the country's politicians to abandon the South African trade routes and the ports of Durban, East London and Port Elizabeth.

South Africa offers preferential rates to companies routing trade through its more advanced and efficient transport and port network.

"Zimbabwe is now putting 90 percent of its imports and exports through South Africa,"

said Robert Crul, an official in South Africa's Foreign Ministry.

Before Mozambique became independent, it handled the bulk of Zimbabwe's imports and exports. Zimbabwe was then white-ruled Rhodesia.

Zimbabwe business organizations estimate that currently about a million tons of the country's eight million tons of annual imports and exports are routed through Mozambique.

Zimbabwe uses Mozambican ports mostly for high-bulk, low-value goods. It exports steel, sugar and coal through Maputo and tobacco via Beira.

Any kind of statistics are hard to come by in Mozambique. But the World Bank says Maputo, the largest port, handled three million to four million tons of goods in 1985.

During a recent visit to the port by an Associated Press reporter, the port's public relations officer, Jose Abadi, said Maputo handled two million tons last year. Western diplomats here put the figure at closer to one million tons.

Backed by several Western donors, Mozambique is trying to revitalize its transport network and ports. The most important rehabilitation work is going on at Beira, where the Dutch expect to handle about three million tons of cargo a year by December. That would be about twice its current capacity.

With the upgrading, the three Mozambican ports are expected to have a capacity for seven million tons a year by 1987. This would not be enough to cope with Zimbabwe's imports and exports, let alone traffic from other countries.

The Mozambicans have been candid in admitting their shortcomings and have welcomed foreigners under various aid programs to help get the ports running smoothly and to train Mozambicans.

U.S. Admits It Granted License to Market Virus

(Continued from Page 1)

case for a living, genetically engineered virus. And they didn't tell anybody."

Mr. Rifkin's group is not alone in expressing concern about the effectiveness of the program for insuring that genetically altered organisms are thoroughly studied before being released into the environment. Many scientists are concerned because such organisms could multiply and spread, causing unforeseen consequences.

On Wednesday the General Accounting Office released a study criticizing the Agriculture Department's biotechnology regulatory program. And nine days ago the Environmental Protection Agency fined a California biotechnology firm a California \$20,000, charged it with falsifying scientific data and suspended the company's permit to test genetically altered organisms to prevent frost on crops.

Dr. Shibley, the chief staff microbiologist in the Agriculture Department's Animal and Plant Health Inspection Service, said that the agency issued permits last April 15 to field test the genetically altered virus in Minnesota, Michigan and Illinois despite the fact that it did not have all the scientific data that characterized the organism.

State officials said they approved field tests in August but were not notified until February that the viral vaccine was composed of living, genetically engineered viruses.

"We have no way of evaluating these products on our own," said Dr. Paul B. Doby, superintendent of the Illinois Department of Agriculture's Division of Meat, Poultry and Livestock Inspection. "We have to rely on what the people in Washington tell us."

Dr. Shibley said the company had not submitted all of the data because the company was protecting key portions as part of its application for a patent on the vaccine.

"We all know what it was," Dr. Shibley said, "because Dr. Saul Kit, a scientist at Baylor, has been working with this virus for years. We didn't have some of the background information when we allowed the field tests. But as soon as the patent was issued in the fall, we told the company to notify the states and tell them it was a recombinant organism."

He acknowledged that in hindsight, he might have done some things differently. "I would have required the company to give more details when they went to the states," Dr. Shibley said. But he asserted that the decision to allow field tests and to grant marketing licenses did not violate federal policies covering the release of genetically altered organisms.

At the focus of the dispute is a vaccine for pseudorabies made from a virus that has one gene clipped from its genetic code. According to officials of the Biologicals Corp., the deletion of the gene weakens the virus and makes it an excellent vaccine for pseudorabies, a disease that produces skin lesions in infected pigs, cattle and sheep, and causes death within days.

The officials said that the vaccine and the pseudorabies virus would not infect people.

But scientists in and out of the government expressed amazement that the department had licensed the first genetically altered viral vaccine without consulting other agencies or bringing their decision before the department's biotechnology review committee.

TOKYO



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Statistics Index... SATURDAY-SUNDAY, APRIL 5-6, 1986

ECONOMIC SCENE

Will Decline in Oil Prices Drag Dollar Into Free Fall?

By LEONARD SILK

NEW YORK — Falling oil prices and the falling dollar are worrying United States policy-makers. Vice President George Bush, briefing reporters two days before his trip to the Middle East, said he would discuss with Saudi Arabian officials the importance of avoiding "a continued free fall in oil prices."

The administration is getting uneasy about whether it wants the dollar to drop any lower.

The answer is not clear. But it may be that the White House had second thoughts about the Bush-Herrington line and decided to put some distance between President Ronald Reagan and Mr. Bush.

THE FALLING oil price, as some analysts see it, is linked to the falling dollar, and the administration is getting uneasy about whether it wants the dollar to drop any lower for the time being, fearing that it might go into a free fall, kick off inflation and drive foreign investment.

Currency Rates

Table with 4 columns: Country, Unit, Rate, % Chg. Includes Australia, Canada, France, Germany, Italy, Japan, etc.

Interest Rates

Table with 4 columns: Instrument, Rate, % Chg. Includes Treasury bills, Bonds, etc.

Gold

Table with 4 columns: Instrument, Price, % Chg. Includes Gold, Silver, etc.

To Our Readers... Much foreign-exchange data is missing from today's editions because of activity related to the expected realignment of the European Monetary System.

Credit Given to Argentina

World Bank Aid Aimed at Reform

By James L. Rowe Jr.

WASHINGTON — The World Bank has announced that it will lend Argentina \$350 million to help the country make major changes in the way it loans agriculture, in order to boost its farm exports \$1 billion a year by 1989.

The World Bank's vice president, Robert K. McNamara, said that the loan was of the kind called for by U.S. Treasury Secretary James Baker 3d in his initiative to help developing nations resume economic growth while continuing to pay their foreign debt.

Mr. McNamara said the country and the bank had been discussing such a loan for 18 months. But he said the Baker plan gave negotiators "a bit more urgency to get on with it."

Barber B. Conable Jr., 63, a former U.S. representative from New York State, was unanimously elected to Thursday to be the president of the World Bank.

Bonn Says Orders Rose In February

By Daniel Southard

BEIJING — Senior Chinese officials have disclosed that China is looking back on its anticipated purchases of nuclear equipment and reactors, casting in doubt the hopes of some Western companies for sales to China.

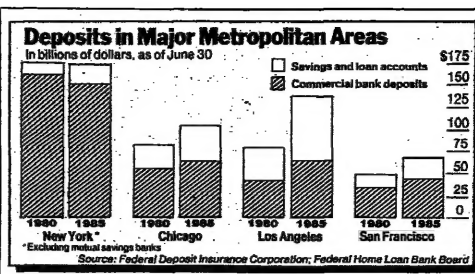
Mr. Li, who has overall responsibility for China's nuclear program, said China had changed the practice of trying to import complete sets of nuclear-power stations from abroad and would rely more on its own efforts in the nuclear field.

Orders in January-February were 1 percent higher than in the same months of 1985, he said in a statement.

China's nuclear power plant capacity was 1,000 megawatts in February 1986, he said, up from 900 megawatts in February 1985.

Foreign orders in January-February were 1 percent higher than in the same months of 1985, he said.

Paris City Deficit With Bonn



East Coast Banks: California Bound

By Nicholas D. Kriscord

LOS ANGELES — Itinerant New Yorkers ambling through downtown Los Angeles these days are likely to encounter planning men building familiar corporate names. Workers recently put the finishing touches, for instance, on a 41-story building for Citicorp.

First, Los Angeles is becoming a world-class financial center, eclipsing San Francisco and New York. Second, as Los Angeles becomes a scene of massive financial activity, New York-based companies are becoming key players.

Continued on Page 11, Col. 7

Panel's Report Seen as Effort to Soften Criticism of Japan

By John Burgess

TOKYO — A blue-ribbon commission appointed by Prime Minister Yasuhiro Nakasone has given its verdict on a decade of Japanese economic growth. The report has been hailed as a landmark document.

Continued on Page 11, Col. 7

China Cuts Back Nuclear Purchases

By Daniel Southard

BEIJING — Senior Chinese officials have disclosed that China is looking back on its anticipated purchases of nuclear equipment and reactors, casting in doubt the hopes of some Western companies for sales to China.

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Paris City Deficit With Bonn

U.S. Joblessness Fell Slightly in March to 7.2%

The Associated Press

WASHINGTON — The U.S. unemployment rate fell slightly in March to 7.2 percent as the economy added 27,000 jobs, the government reported Friday.

Joblessness dropped 0.1 percentage points from February's 7.3 percent as civilian employment rose to 108.8 million jobs in March, the Labor Department said.

The decline had been widely anticipated by economists, who had viewed the 0.6-percentage point jump in unemployment from January to February as an aberration caused by the unusually large number of layoffs in the oil and gas industry and in flooding in California.

The Bureau of Labor Statistics said a 700,000-job increase in agricultural employment to nearly 1.7 million, seasonally adjusted, reversed February's weather-related decline.

Construction employment, unadjusted, totaled 1.2 million in March, an increase of 19,500 for the month and 72,000 over March 1985.

Overall, civilian employment stood at 108.7 million last month, ahead of February's 108.56 million, but still below January's record 108.95 million.

Washington Meeting Seen For Group of 5 Ministers

The Associated Press

TOKYO — Ministers of the Group of Five major industrial nations will meet in Washington next week to discuss the economic situation.

Minister Noboru Takeshita and the governor of the Bank of Japan, Sanjō Sanjō, will represent Japan at the meeting.

The five nations agreed at a meeting in New York on Sept. 22 to work together in guiding monetary and fiscal policies.

The five nations agreed at a meeting in New York on Sept. 22 to work together in guiding monetary and fiscal policies.

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BUSINESS ROUNDUP

Hilldown Will Make Bid for Berisford PLC

London — Hilldown Holdings PLC, a food and trading group, said Friday that it intends to make an all-share offer for S. & W. Berisford PLC, commodity traders, that values the company at about \$30.8 million (\$629 million).

French-Japanese Group Favored for Pipeline

NEW DELHI — A Franco-Japanese consortium led by Spies & Co. of France appears likely to win a \$600-million contract to build a 1,500-km pipeline from the Bombay area to north Indian industrial regions. Tenders were unveiled Friday, for which the Gas Authority of India Ltd., which is to place the contract, recommended to the oil ministry that the consortium's bid be accepted, an informed source said Friday. The group also includes NKK and Toyo Engineering Corp. of Japan, the source said.

U.S. Auto Sales Fell 21.5% in Late March

By John Holusha
New York Times Service

DETROIT — Sales of American-made cars slumped 21.5 percent in late March and 15.5 percent in the full month, as the modest interest incentives of the Big Three automakers evidently failed to entice buyers.

Sales of imported cars increased 1.8 percent for the month from March 1985.

The softening of the market for American cars forced General Motors Corp. this week to cut back its ambitious production program, which the company had been basing on to recapture its historic share of the U.S. market. Many analysts and industry executives are predicting that GM will have to start an expensive new incentive campaign to sell cars in stock.

"GM overbuilt, by at least 10,000 units last quarter and everybody knows it," said Joseph E. Berry, the president of American

Motor Corp. The result, he said, will be continuing sales incentives and other marketing programs that will cost the domestic manufacturer an added \$300 to \$500 a car for the rest of the model year.

GM and Ford Motor Co. are currently offering 9.9-percent financing on some models; last fall their rates went as low as 7.7 percent. Chrysler Corp. is offering rebates.

Analysts say they expect any new incentives to more than nullify the effect of the 2.9-percent price increase announced by GM.

The generalized selling rate for domestic cars was 6.9 million in March, sharply below the 8.4 million in March 1985 and 11.3 million last September, when the largest of the incentive campaigns was under way. For the final 10 days of March, the domestic annual rate was 6.7 million, compared with 8.3 million the previous year.

The annual rate for imports reached 2.7 million during the

CNN Units Made First Profit in '85, Turner Says

The Associated Press

ATLANTA — Cable News Network and CNN Headline News combined for an operating profit of \$18.8 million in 1985, the first time the networks had made money, the parent company, Turner Broadcasting System Inc., said Friday.

"It's a wonderful feeling not to be a drag on the company any longer," said Ed Turner, CNN's executive vice president, who is not related to TBS's chairman, Ted Turner.

The two companies' combined revenues were up 43 percent to \$126.6 million in 1985. The previous year they had an operating loss of \$15.3 million on revenues of \$88.3 million.

CNN has weathered a series of financial crises, including competition from the Satellite News Channel launched by American Broadcasting Co. and Westinghouse Electric more than three years ago. The battle against SNC cost the company more than \$100 million, ending when TBS bought out SNC for \$25 million and took it off the air.

CNN's advertising revenues increased from \$45.8 million in 1984 to \$56.5 million in 1985.

ANA, JAL to Compete In Pacific, but Carefully

By Sam Jameson
Los Angeles Times Service

TOKYO — All Nippon Airways will open routes to Los Angeles and Washington in July to become Japan's second trans-Pacific carrier. However, ANA, the world's sixth-largest airline in number of passengers, intends to avoid stepping on the feet of Japan Air Lines, ANA's president, Taijo Nakamura, said.

"We will be in severe competition with Japan Air Lines, but sharing a bond as a Japanese corporation with JAL, there may be areas in which we will cooperate," Mr. Nakamura said Thursday.

All Nippon will begin service five times a week between Tokyo and Los Angeles on July 16, he said, and will launch the first non-stop, direct service between Tokyo and Washington on July 26, flying three times a week.

Japan's insistence on controlling aviation competition, and the United States' countervailing demands that competition be encouraged have blocked conclusion of a new aviation agreement between the two countries for years.

The new flights are part of an interim agreement reached last April. The United States has not yet announced its choices under the agreement.

As part of its choice, the Japanese government last December abolished JAL's monopoly on overseas service to enable ANA, which previously flew only charter flights internationally, to compete with the flag carrier internationally.

Mr. Nakamura acknowledged that ANA selected Los Angeles and Washington as its first U.S. destinations because of the relatively high percentage of travelers to and from those cities who buy full-fare tickets.

Mr. Nakamura said ANA expects its Tokyo-Washington flights during the first year of operation to average no more than 50 percent full, a rate at which he said losses are inevitable. But he said the company hopes to break into the black in the second year with a load factor of at least 60 percent.

Direct flights to Los Angeles, the main destination for continental American-bound Japanese passengers, are expected to show a profit from the beginning, he indicated.

Although it ranks only 16th in the world in the distance over which it carries all of its passengers, ANA outstrips Japan Air Lines, even including JAL's international service, both in numbers of passengers and in aircraft operated. In fiscal 1985, it carried 24.4 million passengers.

Cavalade Asset Announces Offer To Buy Tesoro

New York Times Service

NEW YORK — Cavalade Asset Corp., a closely held company with interests in oil, has offered to acquire Tesoro Petroleum Corp. for cash and securities estimated by analysts at \$20 to \$25 a share, or \$263 million to \$329 million.

Tesoro, which is based in San Antonio, Texas, has interests in oil and gas exploration in the United States, Bolivia and Indonesia, as well as domestic refining and marketing operations. William M. Sims, a spokesman, said, "We have not received any offer from Cavalade as yet, and we have no comment on it."

Cavalade, based in Lubbock, Texas, said Thursday that after acquiring Tesoro's refining, marketing and transportation divisions, it would liquidate most of the company's remaining assets and terminate its pension plan to reduce debt.

In November, Tesoro invoked a measure aimed at diluting holdings of anyone acquiring a stake of 20 percent. Cavalade holds 3.8 percent.

Tesoro reported a loss of \$87 million on revenues of \$2.3 billion for the year ended Sept. 30.

Lure of Los Angeles: Ties to East and West

(Continued from Page 9)

that of New York, financial experts doubt that California's financial markets will threaten New York's for decades to come, if ever. The Pacific Stock Exchange, with trading floors in both Los Angeles and San Francisco, is puny compared with the New York Stock Exchange, and currency trading here is minuscule compared with the sums handled in New York, London or Tokyo.

But Los Angeles abounds in wealth and people. The 12.6 million people in its metropolitan area — the largest concentration in the United States after New York — will produce about \$250 billion worth of goods and services this year. That is substantially more than is produced by India's 750 million people.

Los Angeles benefits from a diverse economy with aerospace, agriculture, high technology, health care and the entertainment industry in addition to financial services.

"Los Angeles is clearly going to be the biggest economic and people zone in the United States," said Theodore V. Fowler, a managing director in Los Angeles for First Boston Corp. "The extent to which it will be a financial center—in the sense in which we think of New York or London or Tokyo—is a question for the future."

Mr. Fowler's presence in Los Angeles illustrates its rise as a financial center. When he arrived seven weeks ago, he became the New York-based company's first managing director to be posted in Los Angeles. His office, which had about 35 employees as 1986 began, will have 50 or 60 by the end of the year, he said.

As more financial institutions with headquarters in New York open offices in the downtown district of Los Angeles, many Angelenos wonder what is in store for them.

"When it comes to sheer money, I can't compete," said G. Tilton Gardner, chairman of Morgan, Olmstead, Keeney & Gardner, a Los Angeles investment bank with only a fraction of the capital of New York institutions. "We could never compete head-on with Morgan Stanley."

But Mr. Gardner said his firm would continue to thrive by cultivating a niche and working with bigger investment banks on some transactions. More commerce in Los Angeles will help, not hurt, he said.

A few blocks away in its 20th-floor office, Morris E. Zukerman, a managing director of Morgan Stanley & Co., makes the same point. "We're not selling soap, where

there's a finite number of households," he said. "You can create demand with hard work and creative ideas." Morgan Stanley operates its Los Angeles office a year ago and has expanded rapidly to 30 persons, with more arriving all the time.

New York banks and law firms already have taken some business from West Coast institutions.

"Citicorp's business with us has dramatically increased in the last few years, and that's mainly due to their presence across the street," said Philip M. Hawley, chairman of Carter Hawley Hale Stores, a national retailing company based in Los Angeles. "I think that's pretty typical."

As for law firms, Citicorp has been served in Los Angeles by a big local firm, O'Melveny & Myers. But five months ago the New York law firm that works with Citicorp in Manhattan, Shusterman & Sterling, opened a Los Angeles office.

Seven weeks ago it moved into the new Citicorp building. O'Melveny & Myers will remain Citicorp's lead law firm in Los Angeles, but the bank has said that some of its business here would go to Shusterman & Sterling.

"You've got more competition, and that makes it tougher," said William E. Starn, president and chief executive officer of the First Interstate Bank of California, which has its headquarters in Los Angeles. "But we feel very good about the rise of L.A. as a financial center. We think it's a plus for us."

Los Angeles, of course, is a latecomer to high finance. San Francisco blossomed first, largely because of the 1849 gold rush, followed by silver mining and construction of the transcontinental railroad.

But while San Francisco still holds the headquarters of huge banks such as the Bank of America, Wells Fargo and Crocker National, much of their business has drifted southward. Bank of America, for example, said that roughly 60 percent of its California business is in the southern part of the state.

Today Los Angeles counts on its links with eastern Asia to carry it to the forefront of international finance.

The two ports of Los Angeles and Long Beach continue by far the biggest port complex on the West Coast. In 1984 it surpassed the Port Authority of New York and New Jersey as the largest U.S. handler of containerized cargo.

Some Angelenos expect Los Angeles to overtake Tokyo as the Pacific Rim's center of trade and finance, partly because Japan is reluctant to fully open its financial markets to outsiders.

COMPANY NOTES

Asen AB, the Swedish nuclear and electrical equipment group, announced plans for a Dutch-based international financing company with a subsidiary in Geneva. The new company, Asen Capital Corp. BV, would be fully owned by Asen and have a capital of \$30 million.

Bank of America and 11 savings and loan associations are accused in a suit filed on behalf of 100,000 California homeowners of collecting excessive fees from homeowners who settled foreclosure actions. The suit is an outgrowth of an action against T.D. Service Co., which resulted in a \$4.5-million settlement last September.

Continental Illinois Corp. has settled a class-action suit charging violations of federal securities laws for \$25 million. The plaintiffs, who bought Continental shares from Sept. 1, 1981, to July 5, 1982, also sued former officers, who settled for \$20 million. The settlements must be approved by U.S. District Court.

Domestic Textile Inc. of Montreal said its U.S. subsidiary, Dominion Textile America Inc., had withdrawn its revised offer to buy Arvidsberg Mills for \$26 a share, or \$108 million. The company said it had decided to withdraw after analyzing a later bid of \$28.20 a share made by AM Acquisition Inc., an investors group.

Dow Jones & Co., which owns The Wall Street Journal and other publications, will ask its stockholders for more leeway in dealing with a takeover bid. The

proposal would let the board consider such unusual factors as "the independence and integrity of the corporation's publications and services."

Occidental Chemical Corp.'s planned acquisition of two polyvinyl chloride plants from Tennessee Polymers Inc. has been blocked. U.S. District Judge Harold H. Greene, acting at the request of the Federal Trade Commission, issued an order halting the \$70-million sale saying it was "not in the public interest."

Palsson Holding NV of the Netherlands reported that 1985 net profit fell 22.6 percent to 28.1 million guilders in 1984. The decline was partially the result of losses by its U.S.-based air-freight unit, Pandair. Pandair's losses were 17.7 million guilders, up from 1 million in 1984.

Reppo Corp. of Australia plans to accept the takeover offer by Reppo Corp. for its 70-percent stake in Reppo Corp. NZ, Reppo of New Zealand had offered one of its shares for every two Reppo NZ shares.

TDK Corp. of Japan will increase prices to wholesalers for its audio and video tapes in the United States by 2 to 7 percent, effective May 1. TDK will raise U.S. prices at least 10 percent in 1986.

Toyota South Africa Ltd. reported a net loss, after foreign-exchange losses, of \$3.59 million last (\$26.25 million) for 1985, compared with a \$2.89-million-net profit in 1984. The company markets Toyota vehicles but is not owned by Toyota of Japan.

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ACROSS

- 1 Rhyme scheme
- 2 Discover gradually
- 3 Outdoor pie material
- 4 Invitation letters
- 5 —avis
- 6 Right-hand page
- 7 Ending for malt or verb
- 8 Baitologist
- 9 Diamonds, uncut, gold, etc.
- 10 Income from wealth
- 11 Take a — (attempt something)
- 12 Summon to the Rio Grande
- 13 Tilt
- 14 British reaser
- 15 Minn. neighbor
- 16 Polio vaccine
- 17 Deletion
- 18 Newspaper messenger
- 19 Disney movie: 1982
- 20 Critic's courageous comments

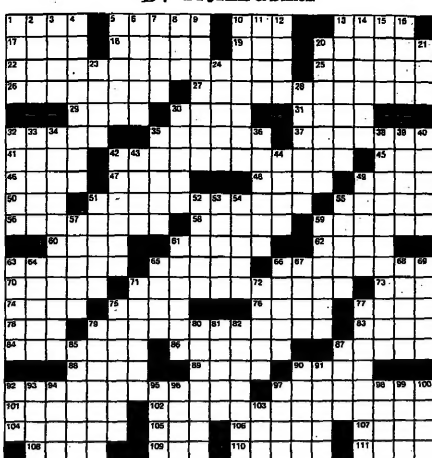
ACROSS

- 45 French croquet
- 46 Song as —
- 47 Chemical compound suffix
- 48 Chessman's —
- 49 Epithet for Alexander
- 50 Witicism
- 51 Satan
- 52 Kefauver
- 53 Slip out of place, to a doctor
- 54 Batman's cousin
- 55 Like some swiss
- 56 Watson's waiting
- 57 Nov. 2 group
- 58 "Goodbye, Columbus" author
- 59 Sampled
- 60 Mayor, in Marseille
- 61 Chief, old style messenger
- 62 R.L.P. notices
- 63 Broom
- 64 Critic's thing
- 65 State flower of Utah

ACROSS

- 76 First Bond film
- 77 Fleming and Hunter
- 78 E. Afr. country
- 79 Household help
- 80 Turnout of N.B.A. fans
- 81 Like — of lightning
- 82 Ruth
- 83 McKenney's sister
- 84 Allen or Frome
- 85 North Sea tributary
- 86 Items in caps. logs
- 87 Head bounds
- 88 Applies a second coat
- 89 Altar of parent
- 90 Paleontologist's rare find
- 91 Author of "The Neighbor's Wife"
- 92 Fugate
- 93 One winning margin
- 94 Vulcan's
- 95 Part of R & R
- 96 Bishop's authority
- 97 Floating
- 98 Like Hume's tones

B+ BY Judith C. Dalton



DOWN

- 1 Martial
- 2 That monetary unit
- 3 Kind of rug
- 4 Like some books
- 5 Honoring food
- 6 On the up and up
- 7 Genuine, in Gladbeck
- 8 Sol. Gen., e.g. 8.0.0
- 9 Making science
- 10 N.F.L. rival
- 11 Endurous
- 12 Lathers again

DOWN

- 14 Manager Anderson of
- 15 Salt
- 16 Like Whitten's
- 17 "A Little" — 1983
- 18 Job for a
- 19 Casanova
- 20 Gerard
- 21 Borch, Dutch
- 22 Eagle
- 23 Vehicle: 1922
- 24 Turkey person
- 25 — blue moon

DOWN

- 39 Device for Route
- 40 Distinct mark, or mark distinctly
- 41 Ramona
- 42 Start-down composition
- 43 Personage
- 44 Avoirdupois
- 45 Herald's victory
- 46 "Allegory" (genderless command)
- 47 Crled on sharply
- 48 Homed

DOWN

- 43 Narrow inlet
- 44 " — " (sway)
- 45 Los Angeles
- 46 Espionage
- 47 Done! —
- 48 Shape like Bumpy
- 49 Composer
- 50 Ranch in R.W.R.
- 51 Ferber's "Giant"
- 52 Ruler city
- 53 " — " (British square)
- 54 Haydn, in Le Havre
- 55 Wilde play: 1893
- 56 Supplies

PEANUTS



BLONDIE



BEETLE BAILEY



ANDY CAPP



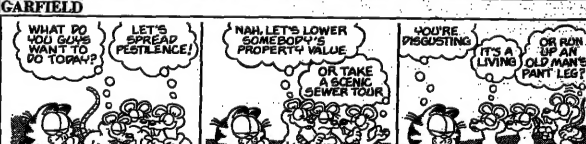
WIZARD OF ID



REX MORGAN



GARFIELD



MATING BIRDS

By Lewis Nkosi. 184 pages. \$13.95. St. Martin's Press Inc., 175 Fifth Avenue, New York, N.Y. 10010.

Reviewed by Michiko Kakutani

"I can't find a few days I am to die. Strange, the idea neither shocks nor frightens me. What I find most frequently now is a kind of numbness, a total lack of involvement in my own fate, as though I were an observer watching the last days in the life of another man." So begins Lewis Nkosi's "Mating Birds." The echoes of Albert Camus's "The Stranger" that vibrate through these first sentences are sustained throughout the novel.

Like Camus's Meursault, the hero of "Mating Birds," Nkosi Siby, is a man condemned to death, spending his last days looking out at a piece of blue sky from his prison cell. Like Meursault, Siby is a sensualist, obsessed with his physicality and that of the hot, sun-drenched world around him. And like Meursault, Siby seems disconnected, nearly indifferent to his approaching execution.

BOOKS

The difference — and it is a significant one — is that "Mating Birds" takes place in South Africa, where, as a black man living under apartheid, Siby is not a free maker of his fate but a pawn, like everyone else, in the complicated game of race relations. The crime Siby has allegedly committed is the rape of a young white woman, and during his trial he becomes something of a celebrity, reviled by whites as a bestial psychopath and secretly admired by blacks as a defiant breaker of race taboos.

Like Camus's Meursault, the hero of "Mating Birds," Nkosi Siby, is a man condemned to death, spending his last days looking out at a piece of blue sky from his prison cell. Like Meursault, Siby is a sensualist, obsessed with his physicality and that of the hot, sun-drenched world around him. And like Meursault, Siby seems disconnected, nearly indifferent to his approaching execution.

history. That innocence is shatteringly shattered when Siby's ambitious mother sends him to a white missionary school — a school, his father warns, that will "fill your head with all manner of ideas, some of them less against your own people."

As Siby is initiated into the bitter knowledge of his country's politics, his family is relocated by the government officials in given to white settlers and, after the death of Siby's father, his family is left to make a new life in the black lands of Durban. When Siby's mother turns from washing white people's laundry to making beaded liquor, Siby realizes that the exile from his pastoral childhood is now complete.

At university, Siby is slowly drawn into politics. He speaks at union meetings; he protests various injustices; he is interviewed by the newspapers and by the police. The art responsible for his death sentence is not a political one, but, as Nkosi makes clear, every aspect of life in South Africa, including love and sexuality, is infected with ideology.

Siby has difficulty sorting out what happened between him and the white woman he supposedly raped. Was he drawn to her as an individual whom he fancied? Or did he fantasize, her status as a forbidden object, contribute, even account for, her fatal attractiveness? Had the woman responded to his silent flirtation as passionately as he remembered? To what degree was she drawn to him as a forbidden lover? What impulses compelled her to seduce him, then cry rape to the police?

There are moments when Siby stops meditating upon the moral ambiguities of his situation and reviews the "forced conspiracy" by the rules of his country — and the rot and corruption of a society that has cut itself off entirely from the rest of humanity, from any possibility for human growth. Such statements not only seem somewhat out of character for someone as deeply alienated as Siby, they tend to diminish the impact of his experience.

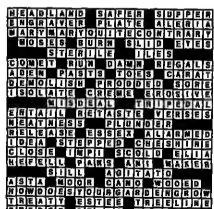
"Mating Birds" is at its best when it maintains its tone of controlled dispassion. If that tone, too, sometimes seems derivative of Camus, the novel nonetheless attests to the emergence of a talented new writer.

Michiko Kakutani is on the staff of The New York Times.

DENNIS THE MENACE



Solution to Last Week's Puzzle



World Stock Markets

Via Agence France-Presse April 4

Quoting prices in local currencies unless otherwise indicated.

Country	Index	Change
Argentina	1000	+10
Australia	1000	+10
Belgium	1000	+10
Canada	1000	+10
France	1000	+10
Germany	1000	+10
Italy	1000	+10
Japan	1000	+10
Netherlands	1000	+10
Portugal	1000	+10
Spain	1000	+10
Sweden	1000	+10
Switzerland	1000	+10
UK	1000	+10
USA	1000	+10
West Germany	1000	+10
Yugoslavia	1000	+10

Country	Index	Change
Argentina	1000	+10
Australia	1000	+10
Belgium	1000	+10
Canada	1000	+10
France	1000	+10
Germany	1000	+10
Italy	1000	+10
Japan	1000	+10
Netherlands	1000	+10
Portugal	1000	+10
Spain	1000	+10
Sweden	1000	+10
Switzerland	1000	+10
UK	1000	+10
USA	1000	+10
West Germany	1000	+10
Yugoslavia	1000	+10

WEATHER

Region	High	Low
Europe	60	40
Asia	70	50
Africa	80	60
Latin America	90	70
North America	100	80
Middle East	110	90
Oceania	120	100

SATURDAY'S FORECAST: CHANNING, SPAIN, FRANKFURT, FR. Temp. 6-12. Wind: light. Clouds: 10-20. Rain: 0-10. Sun: 10-12. Moon: 10-12. Wind: light. Clouds: 10-20. Rain: 0-10. Sun: 10-12. Moon: 10-12.

Artwork Lost and Found

von Schiller by the German sculptor Reinhold Begas to East Berlin on Thursday as part of an art campaign to prepare for the city's 750th anniversary next year. The East Germans returned 29 18th-century reliefs and a figure of a nymph that once stood in buildings in the western sector of Berlin. The trade was announced March 19 by Mayor Eberhard Diepgen of West Berlin. The Schiller statue, which is 3 meters (10 feet) tall, originally stood in front of the old city hall.

spielhans in the center of old Berlin. The rebuilt Schampispielhans stands in East Berlin. The statue had been pulled down in 1935 by the Nazis, who claimed it blocked the view of the theater. West Berlin city spokesmen said, and since the end of World War II had been stored in the West Berlin. The 20 wall reliefs returned by East Berlin belong in the tea saloon of a castle on the Wannsee in West Berlin, city spokesmen said. The reliefs, by Johann Peter Richter, will first be displayed to the West German public.

Max Gallo is leaving his post as editor of the leftist Paris daily *Le Matin*, the newspaper announced Friday. Gallo, 54, a professor of history and author of several historical novels, was a secretary of state and spokesman in the govern-

ment of President François Mitterrand read from March 1983 to June 1984, when he resigned after his election to the European Parliament. He became editor of *Le Monde* in April 1985, an appointment that provoked more than 30 resignations at the newspaper.

"I plan to be at a few games this year," Zadora, whose singing career seems to be progressing further than her acting, will buy 20 percent to 37.5 percent of the minor league team with her manager, Tim Healey. "I love Tim and baseball is the

[illegible]

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